

Reclamation Manual

Directives and Standards

Subject:	Reclamation Standard Water-Related Contract Articles, Article 12: Contingent on Appropriation or Allotment of Funds (All Programs)
Purpose:	To commit Reclamation's Standard Contract Article 12 to the Reclamation Manual, introduced by a brief description and direction regarding its use, for the benefit of making it easily accessible and promoting Reclamation-wide consistency in its use and content.
Authority:	The Reclamation Act of 1902 (ch. 1093, 32 Stat. 388), and acts amendatory and supplementary thereto; 31 U.S.C. § 1301(a).
Approving Official:	Director, Office of Program and Policy Services
Contact:	Office of Program and Policy Service; Contract Services Office, 84-56000

1. **Contingent on Appropriation or Allotment of Funds (All Programs).** This article is included in all contracts.¹ It states that, notwithstanding anything expressed or implied in a contract, the Secretary can only expend funds for project construction and operation and maintenance, or for other purposes for which Congress has made appropriations. The lack of an appropriation does not relieve the contractor of any obligations under the contract, and does not accrue any liability to the United States.
2. **Reclamation Standard Contract Article 12.**

(All Programs)

CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS²

The expenditure or advance of any money or the performance of any obligation of the United States under this contract shall be contingent upon appropriation or allotment of funds. Absence of appropriation or allotment of funds shall not relieve the Contractor from any obligations under this contract. No liability shall accrue to the United States in case funds are not appropriated or allotted.

¹ Any agreement committing any Federal resources must contain this article.

² Approved 2/71; Revised 11/84; 01/02.